

Office of Chief Counsel
Internal Revenue Service

memorandum

CC:NER:MAN:TL-N-2454-99

PLDarcy

date:

to: District Director, Manhattan District
Mr. Daniel Altman

from: District Counsel, Manhattan District, New York

subject:

[REDACTED]
Tax year [REDACTED] through [REDACTED]
Consents to Extend the Statute of Limitations
On Assessment

Uniform Issue List # 6501.08-00; 6501.08-17

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This memorandum supplements and clarifies our memorandum dated June 17, 1999. In that memorandum, we determined that

[REDACTED]
("[REDACTED]") and the Internal Revenue Service entered into valid agreements to extend the statute of limitations on assessment for [REDACTED]'s taxable years [REDACTED] through [REDACTED]. This memorandum provides advice on whether the Internal Revenue Service properly extended the statute of limitations on assessment with respect to potential adjustments stemming from Forms 1120-F filed by [REDACTED] ("[REDACTED]").

If the parties did not properly extend the statute of limitations on March 15, [REDACTED], the statute of limitations on assessment expires on June 30, [REDACTED]. If the parties did properly

extend the statute of limitations on March 15, [REDACTED], the statute of limitations on assessment expires on December 31, [REDACTED].

ISSUES

1. Did [REDACTED], a Managing Director and Vice President of Taxation of [REDACTED]'s domestic subsidiary, have the authority to extend the statute of limitations on assessment on behalf of [REDACTED].

FACTS:

The Examination Division is currently auditing [REDACTED] through [REDACTED] taxable years of [REDACTED], a corporation organized under the laws of Canada. During these years, [REDACTED] did business in the United States and filed Forms 1120-F.

[REDACTED] executed the Internal Revenue Service Forms 872 on behalf of [REDACTED] for the years at issue. Prior to the execution of the Forms 872, on [REDACTED], [REDACTED] gave [REDACTED] plenary power to perform all the following on behalf of [REDACTED]:

1. To negotiate, make, execute, acknowledge, deliver, file and record any and all tax related documents on behalf of [REDACTED] in the United States including, but not limited to tax returns, tax audits and settlements and any other tax related documents or instruments.
2. To make such representations and warranties in the name of and on behalf of [REDACTED] as he may deem necessary, desirable or appropriate with the foregoing.

DISCUSSION:

1. [REDACTED]'s authority to extend the statute of limitation on assessment.

[REDACTED] explicitly gave [REDACTED] the authority to execute Internal Revenue Service Forms 872. Therefore, we see no reason to doubt the [REDACTED] had the authority to extend the statute of limitations on assessment for [REDACTED].

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Should you have any questions regarding this matter, please contact Paul Darcy of our office at (212) 264-5473 ext. 256.

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